

~~TOP SECRET~~

State Department review completed

25X1



28 March 1957

25X1

Copy No. 132

25X1

31

DOCUMENT NO.

NO CHANGE IN CLASS.

11 UNCLASSIFIED

CLASS. CHANGED TO: TS S C

NEXT REVIEW DATE: 705

AUTH: HR 70-2

DATE: 1-27-79 REVIEWER:

25X1

CURRENT INTELLIGENCE BULLETIN

OFFICE OF CURRENT INTELLIGENCE
CENTRAL INTELLIGENCE AGENCY

25X1



~~TOP SECRET~~

25X1

Approved For Release 2003/01/27 : CIA-RDP79T00975A003000310001-3

Approved For Release 2003/01/27 : CIA-RDP79T00975A003000310001-3

Approved For Release 2003/01/27 : CIA-RDP79T00975A003000310001-3

25X1A

25X1A

CONTENTS

25X1A

1. EGYPTIAN MEMORANDUM ON SUEZ CANAL

25X1

25X1A

4. SOVIET NOTE TO NORWAY

25X1

28 Mar 57

Current Intelligence Bulletin

Page 2

25X1A

Approved For Release 2003/01/27 : CIA-RDP79T00975A003000310001-3

25X1A

1. EGYPTIAN MEMORANDUM ON SUEZ CANAL

25X1A

[REDACTED]

The draft memorandum on the Suez Canal circulated by Egypt on 26 March once again makes clear the Nasr regime's intention to operate the canal and collect the tolls under its own authority exclusively.

25X1

The only hint of international participation in the financial arrangements for the canal is an authorization for toll payments to be made to the account of the Egyptian canal authority with the Bank of International Settlements, a non-political institution which acts as clearing agent for central banks in the European Payments Union. Tolls can also be paid directly to the National Bank of Egypt.

25X1

[REDACTED]

The memorandum states that Egypt will establish a "Suez Canal capital and development fund" which will receive 25 percent of gross receipts to meet the needs of development and capital expenditures on the canal. However, it appears that this fund would be entirely under Egyptian control. The balance of the memorandum consists essentially of a reaffirmation of Egypt's determination to abide by the Constantinople Convention of 1888 and of its willingness to arbitrate disputes with users and with the stockholders of the nationalized Suez Canal Company.

This memorandum, like its predecessors, is not likely to satisfy the essential demand of Britain, France and other Western European shipping countries that either the financial or operating authority over the canal should be subject to some form of international control. The British government has informed British shipowners they should not use the canal for the time being, and the French government has asked several other SCUA members to make similar requests. However, ships of several nationalities, including Greek and Dutch, reportedly have already paid tolls to the Egyptian canal authority.

25X1A

25X1

Approved For Release 2003/01/27 : CIA-RDP79T00975A003000310001-3

Next 1 Page(s) In Document Exempt

Approved For Release 2003/01/27 : CIA-RDP79T00975A003000310001-3

25X1A

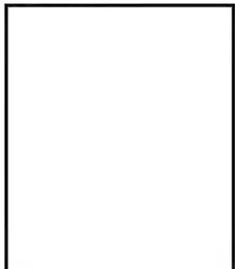
4. SOVIET NOTE TO NORWAY

25X1A



Premier Bulganin's note of 21 March to Norwegian prime minister Gerhardson is the first formal Soviet communication to any country dealing with the risks of accepting atomic weapons or atomic-equipped units. This has, however, been a strong Communist propaganda theme since January, and a number of informal diplomatic warnings have been given since then, particularly to Asian-African countries.

25X1A



Bulganin admonished Norway against allowing its territory to be used as a base against the Soviet Union and warned that Norway might have to "pay dearly" for NATO bases. He pointed out the necessity in wartime for retaliation against an aggressor and "also against the bases which are located near our borders."

The most immediate purpose of this letter was probably to deter Norway from accepting new conventional missiles and rockets which could, however, be equipped with atomic warheads. This latest Soviet warning is not likely to deter the Norwegian government from accepting these weapons, but it will complicate the government's effort to "educate" public opinion on their necessity.

25X1A

25X1A

25X1

Approved For Release 2003/01/27 : CIA-RDP79T00975A003000310001-3

Approved For Release 2003/01/27 : CIA-RDP79T00975A003000310001-3